

HEARING BEFORE THE CITY COUNCIL, JUNE 26, 2017

Hearing opened at 6:47 P.M. with Councillor Freda, Chair of the PUBLIC SERVICE COMMITTEE, presiding. All members were present.

Mr. Miguel Quintal and Dave Flewelling were present at the hearing.

The following PETITION was the subject of the hearing:

79-17 Comcast of Massachusetts III, Inc.: Place two (2) 40' Utility Poles on the Northerly side of Lanides Lane and a 3" Diameter Sch. 80 PVC Conduit to be above grade, to the backside of the guardrail for telecommunications conduit service to the Fitchburg Easterly Wastewater Treatment Plant.

Mr. Flewelling explained that this is to provide service to the Fitchburg Wastewater Treatment Plant. They will be placing two 40' Utility Poles and connecting from the existing utility pole; it would be overhead from the existing utility poles to the two new proposed utility poles and then the conduit would be attached to the back of the guardrail that would run all the way down to the wastewater treatment plant.

Councillor Freda asked if this was a duplicate of the petition they just granted for National Grid on Lanides Lane.

Mr. Flewelling said no. These would be Comcast only poles.

Councillor Freda asked if they had any objections from anyone regarding these.

Mr. Flewelling said no.

No one spoke in favor or opposition to the petition.

No Councillors spoke.

HEARING ADJOURNED AT 6:49 P.M.

Lynn A. Bouchard, City Clerk and
Clerk of the City Council

HEARING BEFORE THE CITY COUNCIL, JUNE 26, 2017

Hearing opened at 6:50 P.M. with Councillor Dombrowski, Chair of the LEGAL AFFAIRS COMMITTEE, presiding. All members were present.

The following ORDINANCE was the subject of the hearing:

Relative to amending Chapter 2 of the Revised Ordinances entitled "Administration" by amending Section 2-42.1 entitled "Fee Schedule" by deleting the fee amounts for Gasoline, Vehicle Tank Pump and Adjusting and inserting new fee amounts.

No one in the audience spoke in favor or opposition to the ordinance.

No Councillors spoke.

HEARING ADJOURNED AT 6:52 P.M.

Lynn A. Bouchard, City Clerk and
Clerk of the City Council

HEARING BEFORE THE CITY COUNCIL, JUNE 26, 2017

Hearing opened at 6:55 P.M. with Councillor Dombrowski, Chair of the LEGAL AFFAIRS COMMITTEE, presiding. All members were present.

The following ORDINANCE was the subject of the hearing:

Relative to amending Chapter 13 of the Revised Ordinances entitled "Motor Vehicles and Traffic" by amending Section 13-25 entitled "Parking for Sale Prohibited" by inserting a new subsection, Section 13-25.1 entitled "Parking for Sale on City Property".

No one in the audience spoke in favor or opposition to the ordinance.

No Councillors spoke.

HEARING ADJOURNED AT 6:57 P.M.

Lynn A. Bouchard, City Clerk and
Clerk of the City Council

HEARING BEFORE THE CITY COUNCIL, JUNE 26, 2017

Hearing opened at 7:00 P.M. with Councillor Bodanza, Chair of the FINANCE COMMITTEE, presiding. All members were present.

Present at the hearing were John Richard, Comptroller; William Mitchell, Chief Assessor; David LaPlante, Treasurer/Collector, and Brian Riley, City Solicitor.

The following PETITIONS were the subject of the hearing:

- C-103 Relative to the appropriation of \$120,869,649.95 to the Fiscal Year 2018 General Fund Budget Accounts as listed; same to be raised/offset by Fiscal Year 2018 Revenue.
- C-104 Relative to the appropriation of \$5,717,030.97 to the Fiscal Year 2018 Water Department Budget Accounts as listed; same to be raised/offset by Fiscal Year 2018 Water Rates to be collected as authorized by Massachusetts General Law Chapter 44 Section 53E.
- C-105 Relative to the appropriation of \$5,578,201.43 to the Fiscal Year 2018 Sewer Department Budget Accounts as listed; same to be raised/offset by Fiscal Year 2018 Sewer Rates to be collected as authorized by Massachusetts General Law Chapter 44 Section 53E.

Councillor Chalifoux Zephir asked for the detail supporting C-100 - Relative to the appropriation of \$250,000 to the School Department Expense Account; same to be transferred from the Excess and Deficiency Account.

Mr. John Richard said part of it is that, even though they feel they are going to be over net school spending, they didn't realize there was one school resource officer the police department was not able to provide. The other part is to be utilized as the School Department sees fit in its general operating expense.

Councillor Chalifoux Zephir asked for the year to date and year end estimates for FY17 and projections for FY18 for all revenue accounts.

Mr. Richard said the FY17 has been completed and the FY18, as usual, is in development. The major items are relatively known, but they are still in discussion with the State Legislature. They feel there will be sufficient revenues to fund the operating expense budget that was presented to them.

Councillor Chalifoux Zephir said she is trying to get a sense of all of the revenue that the City generates. She said according to the Department of Revenue's website the budgeted amounts versus actual amounts were roughly as follows: FY16 - \$5.9 vs \$11 million; FY15 - \$5.7 vs \$10.5 million; FY14 - \$5.1 vs \$9.4 million. So, in looking at these additional sources of revenue the actual receipts over these three years are higher than projected anywhere between 85% and 90% of what's estimated.

Mr. Richard explained its one-time revenues. He said free cash, which is certified, is generated from two sources: expenses that were not spent or closed out or its revenue that came in over the estimates. He said that they have been through many recessions and the art is to be careful not to estimate revenues while the good times are coming; don't bump up ongoing budgets to meet those because it's going to mean tough times during the recession. It also becomes an opportunity to fund one-time expenses, therefore, you're matching free cash which is a one-time revenue source with a one-time expenditure. He said that in Moody's review for March of 2017 if was recommended they increase their operating surplus and fund balances.

Councillor Bodanza said Councillor Chalifoux Zephir mentioned \$6 million dollars of budgeted receipts versus 11 million actually collected. He wants the public to know that this is just one portion of the revenue which is referred to as local receipts, not allocated.

Councillor Chalifoux Zephir pointed out that even during a recession like 2008 and 2009 the City had really healthy reserves of free cash.

Mr. Richard said that even this year with \$9.2 million in free cash, of which almost \$2 million is water and sewer, there are millions of dollars of capital needs that the City of Leominster cannot address.

Councillor Chalifoux Zephir said she understands this and wouldn't dispute it, but she's looking at the immediate problem and trying to understand all of the available sources of revenues throughout the City. She wants to be clear about the fact that she doesn't think they should be using free cash to fix the School Department problem. She requested detail for the chargebacks to the School Department that will be deducted from their Net School Spending budget in FY18. She mentioned he stated that expenses charged back to the School Department each October are embedded in the City's budget.

Mr. Richard said except for school choice as they have nothing to do with that.

Councillor Chalifoux Zephir said that school choice was not one of the chargebacks.

Mr. Richard said school choice and charter school is a majority of it. The chargebacks are charged back in accordance with the State law and are audited every year. Any appropriation they would add would have to go through the City Council so it wouldn't be something they didn't know about.

Councillor Chalifoux Zephir asked where those charges are in the budget.

Mr. Richard said in all the different areas in the budget that are related to the chargebacks. He said he could get those to them later, but what he provided was an example of the retirement, which is by far the largest chargeback, and how it's calculated. He said there is a list of names that supports the school salary and wages.

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Councillor Chalifoux Zephir said the example was from 2014 and wanted to know how it was calculated in the FY18 budget.

Mr. Richard said it's the same methodology.

Councillor Chalifoux Zephir said they don't have the numbers.

Mr. Richard said that's not something the City Council votes on.

Councillor Chalifoux Zephir said regarding the City budget, the City charges back to the school district something like 6 million dollars and wants to know where these charges are in the City budget.

Mr. Richard clarified again that the chargebacks include charter school tuition and school choice and that the charges are in the various accounts.

Councillor Chalifoux Zephir asked him to explain the difference between "Net School Spending Requirement" and "Net School Spending Eligible"

Mr. Richard said the appropriation the City is making directly to the School Department for salary and wages and expenses is "eligible" the difference being the other areas.

Councillor Chalifoux Zephir said these are indirect charges that the City will charge back.

Mr. Richard said yes, which will bring us over the net school spending requirement. He said that over the past ten years the City's net school spending requirement went up 48%. The average state wide was 24% and some communities around here only went up 3% in ten years. The City gave over the past ten years an average of 4.8% per year. It's the State that is not meeting its fair share, but it's the Statute.

Councillor Chalifoux Zephir asked him to explain the discrepancy of \$1,718,937 between the number in the mayor's slide presentation under "Educational Funding Investments" representing Net School Spending Requirement of \$71,816,847 and the Education number of \$70,097,910 included in the FY18 summary.

Mr. Richard said these numbers have nothing to do with each other. The number in the FY18 budget is the total amount given to the School Department which includes the \$66,721,910 plus school transportation of \$3,335,000 and \$41,000 for school crossing guards. School choice and school tuition are not included because the Council doesn't vote on those amounts.

Councillor Chalifoux Zephir said that busing actually costs 4.8 million and asked how can the City fund it at \$1.5 million less than that and then complain that the School Department is spending outside of its budget.

Mr. Richard said because it's the law. You can't spend outside of your budget.

Councillor Chalifoux Zephir then how come you don't fund at the appropriate level.

Mr. Richard said proposition 2.5 changed that. It isn't the School Committee who says how much to raise and the City just raises it; it's that you have to have revenue sources. It's up to the School Committee & School Department to know what's available for them outside of the known revenue sources that they know the City is going to give them.

Councillor Chalifoux Zephir said that in FY17, there was a 1.6 million deficit.

Mr. Richard said that everyone knew there would be \$850,000 of Medicaid money that the Mayor committed to it. The Mayor isn't fully cognizant of what's available for them to have services over what the City can provide, but it doesn't change the fact that whatever the total is, you have to live with it. That's just basic municipal finance law.

Councillor Chalifoux Zephir said that basic municipal finance law would have a contract that matches the appropriation. It's the Chair and the School Committee's responsibility to take a look at it. This has been an ongoing problem and it should have been addressed in a responsible fashion so that the appropriation matched a reasonable projected expense based on experience.

Mr. Richard said the only people that oversee this is the School Department. The City made its case in the appropriation process.

Councillor Chalifoux Zephir said the City arbitrarily throws roughly 3.3 million and then estimates Medicaid revenue to offset some of the deficit. She explained that Medicaid reimbursement is a Federal program that comes back to the general fund. Professionals in the School Department provide Medicaid eligible services to Medicaid eligible students who are in the school system. That money is billed to Medicaid and the City is reimbursed. It runs in the high eight hundred thousand and is used for busing. She would argue it is very similar to school choice money in that it's a reimbursement of Net School Spending expense and should go back into the school budget.

Mr. Richard said there are communities that do not return it at all. The Mayor is not required by law to do it.

Councillor Marchand said the reliance on school choice money to supplement deficiencies in the budget when it comes to special education transportation is not the intent of this money; it's supposed to educate the whole child with respect to direct services, classroom teachers, etc. He said the School Committee is not at fault for shortfalls in the projections that they have for school choice. They have no control over it. We are in a situation where students are looking at other schools to attend and that's a shame. He said focusing on the budget piece and not the policy question regarding School Choice revenue that the School Department is expected to project and to be able to supplement the deficiency in the busing line item. What happens at the end of the year if they do not meet that number is the City should be in a position to profile and make sure they don't take it out of operational expenses or have to eliminate anymore staffing to pay their bill. He asked if we are in a position where we have secured that policy with the School Department.

Mr. Richard said that's a policy decision. The City doesn't rely on School Choice at all and has nothing to do with that account; that's purely under the direction of the School Committee.

Councillor Chalifoux Zephir referred to page 2 of the FY18 budget book under Expenditure Highlights, Other "Public Safety overtime increased to reflect wage settlements." She asked Mr. Richard to provide the total increase for this overtime as well as wage settlement details and specific line item numbers in the budget that reflect these increased overtime allocations.

Mr. Richard said he believed the Council voted on it and it was for 2% increases for public safety. All of the Unions for FY18 received 2% increases.

Councillor Chalifoux Zephir referred to the same section under Expenditure Highlights, Other "Fire overtime increase to reflect additional ambulance coverage (\$100,000)". She said it was her understanding that the second ambulance is financially self-sustaining and asked he explain the need for \$100,000 in additional overtime.

Mr. Richard said that's where the money will come from ambulance fees. On the local estimated receipts you'll see that this year that one of the line items has gone up by \$100,000 to pay for the ambulance overtime.

Councillor Chalifoux Zephir referred to page 3 of the FY18 budget book under Miscellaneous Benefit & Long Term Liability Accounts "Group Insurance appropriations for the active employee's" increased by \$265,400. She asked if this is for all City employees.

Mr. Richard said it was just for City employees, not school. School employees get the same increase of 6%.

Councillor Chalifoux Zephir said in the same section of the FY18 budget "New Pension and Other Post-Employment Benefits (OPEB)" increased by \$1,100,000. She asked he explain this and how the \$1.1 million was determined.

Mr. Richard said it's the amount of money that is going to be appropriated to meet annual required contribution.

Councillor Chalifoux Zephir asked Mr. William Mitchell if he knew how much would be in the overlay account reserve for abatement for 2017.

Mr. William Mitchell explained that the overlay account is a fund that is raised for liabilities for anyone that seeks an abatement regarding their assessment in tax which would reduce their tax liability. They would give that back out of this account. It also covers exemptions given to seniors, disabled veterans, blind and elderly. These funds are typically about \$480,000 per year. Prior to this year, the statute required them to keep every year in a separate account. For example, they had Verizon appeal a case and it was multiple years. So, for instance, in 2009 they had a liability with Verizon regarding an abatement of \$1 million dollars and they only had \$900,000 in that year's account. They would have to operate at a deficit from that account and then raise it in the next tax year. With the Governor's Reform Bill for this year and FY18 it allows them now to pool that money into one account. Therefore, they are not operating on a deficit; they can easily transfer money from one year to another. The overlay account, in essence, is to fund liabilities outstanding with the uncollected taxes regarding personal property and anything on the books. As far as the Assessors are concerned, they determine the liability that is in that account to determine how much to keep in there before releasing it to an overlay surplus account. As far as the total amount that is in there this year, he deferred the question to Mr. Richard.

Mr. Richard explained that it's a one-time revenue source and every so often it helps them during the bad times when the collections don't come in. It also allows them to transfer money over to the stabilization fund. Eventually they will collect the taxes as long as the house is in good repair, and lately, there are a lot of houses that are not in good repair. So even when its released, it's a one-time shot. They have been putting it into stabilization which is how they have been growing this account.

Councillor Chalifoux Zephir said in terms of abatements she would imagine that a bulk of it would be going to stabilization.

Mr. Richard said that they move it and the Council appropriates it. In FY18 he projects that the amount in the overlay reserve will be \$750,000. The amount of the exemptions alone is close to \$500,000.

Councillor Chalifoux Zephir said she thought that people could only request abatements 30 days after the first of January.

Mr. Richard said it might take years due to outstanding cases. So even though it shows taxes are paid, it could take years.

Mr. Mitchell said they have that 30 day period to file for the abatement. If the Assessors decide to deny the request they have the right to appeal that to the Appellate Tax Board (ATB). It then becomes a liability at that point and would still come out of the overlay account if they were found in favor of an abatement. When the ATB decides to issue an abatement it also is subject to 8% interest on that tax as well.

Councillor Dombrowski said he agreed with a member of the audience that stated that real estate values are affected by the quality of the public schools. He asked if they agreed with the statement.

Mr. Mitchell said to understand the impact of school systems on real estate values is very difficult to determine. For instance, in 2006 – 2008 a lot of municipalities went through a very hard time and real estate was going down. Some of those school systems were underfunded at that point too so you wonder how much of the underfunded school contributed to it versus the total economic impact. People will always say that funding a school system draws young families creating a regenerative cycle which will then boost real estate. It's more of an economic idea than it is to see what the actual impact might be. What the folks expressed tonight was that they don't want to see their real estate values go down because we're not funding the schools; it's very hard to determine that that would actually happen.

Councillor Dombrowski asked him for his best guess.

Mr. Mitchell said he supposes it would depend on how long the school system would be underfunded and what type of education we provide to students in the long-term. He said the reactions could then being measured through the public exiting Leominster or moving to different communities and sacrificing a loss on their investment in their home. He said he couldn't make a best guess.

Councillor Chalifoux Zephir referred to a report that she provided the Council from PublicSchoolReview.com that relates to home values and school spending. She read from the report that suggested that there is a direct correlation.

Mr. Mitchell requested a copy of the report and would like to look at the data behind the report.

Councillor Freda asked how we got here and why nothing is being done if this problem with the School Department has been going on for the past two to three years.

Mr. Richard said they have not overspent. Last year they did not overspend.

Councillor Freda asked then how come we are here.

Mr. Richard said that she would have to ask the School Department because he doesn't oversee them.

Councillor Freda asked Mr. Richard what he thinks the problem is.

Mr. Richard said he'd have to review it, but it's pretty basic. He doesn't know what's fact or not, such as, was the budget voted? Was there a meeting of the minds on the School Committee level? Did they know there was a 1.7 million dollar deficit at the beginning of this fiscal year and chose not to do anything about it? He said he doesn't know. He explained the practice had already been established and unless you have a growth in students, the growth in State revenues is not going to be there. If you had 100 new students rather than taking 100 away it's a whole different scenario. You can argue with the State about that but this is a policy at the State level issue.

Councillor Bodanza asked him what that number would be for 100 students.

Mr. Richard said he would have to research it, but their foundation budget went down this year. There are so many things wrong with the foundation budget formula that they are not addressing. It's totally unfair to the students, teachers and tax payers.

Councillor Chalifoux Zephir went through a list of deficits from the School Department budget that are being carried over from previous years that total approximately 5 million dollars and suggested this is how we arrived at the 5 million dollar deficit problem. She questioned the appropriateness of some of the expenses that were covered.

Mr. Mitchell said that he thinks it's important to note as they are discussing the numbers and talking about a 5 million dollar deficit this year, if we look at our levy limit capacities that we are allowed to raise every year, we are talking \$1.7 to \$2 million dollars. Even if we were to raise the \$5 million dollars from taxation to increase the school budget this year, we are looking at about a \$350 impact over and above the regular \$200 increase that we see each year on the average single family home. If we use up some of our excess levy capacity and the bond rating starts to get affected allowing us to borrow at a lower rate, as soon as that goes down and we have to raise another \$5 million, we are now at our levy ceiling and can't go any higher. Understanding the \$5 million dollar budget can't be reached tonight, it's good that we are having the conversation tonight because if we exceeded that for the next two to three years and we reach that \$25/\$1,000 the conversation we are then having could be a lot worse. The money has to come from somewhere and all of these decisions we are talking about tonight are not easy for any of us to decide, but it's important to realize that we can't just raise \$5 million dollars and we can't impact the tax payers that much.

Councillor Bodanza said that we run out of options real quick because what he is saying is that if we use all of our levy capacity to meet this year's crisis, we don't have an answer next year.

Councillor Chalifoux Zephir asked where does growth factor into this.

Mr. Mitchell said growth is new tax dollars so it does not figure into the 2.5%. Everyone wants to know what that growth factor is but we just don't have it yet. They are in the process right now of determining what growth would be because they are out there collecting it every day. They won't know since the cutoff date is July 1st of this year to figure out what growth will be for FY18 tax calculations. If you overestimate it then the budget gets underestimated and you are in trouble that way too.

Councillor Marchand asked Mr. Richard to explain what would happen if the Council denied the budget.

Councillor Bodanza deferred the question to the Brian Riley, City Solicitor and asked him to explain what their options are and what their authority is as City Council with respect to C-103.

Mr. Riley said with the budget, and this is the same with every city as far as he knows, the Mayor proposes a budget and the Council can approve it or reduce numbers. They don't have authority to increase them. The Council can disapprove the whole budget or a section of it. If it's disapproved then you don't have an appropriation when July 1st comes along. A partner and he contacted the Division of Local Services, and hypothetically, if the school budget is denied tonight, come July 1st there is no appropriation and no money to be spent. Obviously they are going to have expenses starting July 1st. He expressed the concern he had with the potential consequences of doing that versus appropriating the budgets in front of them and continuing to try to figure out where to find more money if you want to give the School Department more money.

Councillor Bodanza said the Statue also provides that they Mayor could submit to us a continuing appropriation budget if he saw fit.

Mr. Riley said the Charter doesn't have a process for that, but the General Laws Chapter 44 Section 32 covers the same grounds and suggested they look at that to fill the gaps.

Councillor Bodanza said there is a petition in front of them to accept the provisions of that law. Since it is a General Law he was curious if it's something they are bound by already, and if not and they have to accept it, does that mean that because they only have the Charter the Mayor doesn't have that option, because we are not bound by Chapter 44 Section 32.

Mr. Riley said cities and towns have the authority to adopt Charters and they can deviate in a lot of ways from what the General Laws provide. If they do, the Charter can trump what the General Laws say. There is a section of Chapter 44 Section 32 that talks about the process where the City Council, with the recommendation of the School Committee, can vote by a 2/3 majority to increase the amount to the School budget which the Mayor has submitted. There is a provision in this section that also requires the Mayor's approval to adopt the General Law.

Councillor Bodanza said that means there is technically no mechanism for a 1/12 budget.

Mr. Riley said the 1/12 budget is a little different. What he was referring to is where the Council would have the unusual authority to appropriate more than the Mayor. That's not on the table because that hasn't been accepted. Another part of the Statue says the following: "The Mayor may submit to the City Council a continuing appropriation budget for the City on a month by month basis for a period not to exceed three months if said City has not approved an operating budget for the fiscal year because of circumstances beyond its control." His interpretation is that if the City or some department doesn't have an appropriation by the end of the fiscal year for the next year, this does allow the Mayor to essentially come in with a budget for July which the Council would have to pass.

Councillor Bodanza asked if this portion of the Statue would not have to be accepted because it's not part of the Enabling Act from 1987.

Mr. Riley said that's correct.

Councillor Bodanza referred to language in Section 32 that talks about the budget automatically being adopted in 15 days from its preparation which he assumes means when it comes to the Council. He asked if they were subject to this Section of the Statue.

Mr. Riley said this is addressed in the City Charter so this would outline the authority. It says more or less the same thing but its 45 days. If the Council gets a budget presented to them and after 45 days has not acted on it, it by default becomes approved.

Councillor Bodanza asked if they rejected the entire budget or the School section of the budget, there would be no budget unless the Mayor sent them a continuing appropriation.

Mr. Riley said that's correct, at his option, and we are talking about less than a week now.

Councillor Freda asked how the 45 days works when the deadline is July 1st since they haven't had the budget for 45 days.

Councillor Bodanza said apparently the Charter is out of cinque with the times in some ways because the Statue is 15 days and our Charter is 45, so it's irrelevant. If they rejected the budget on July 1st there is no budget. That portion of the Charter would only have applicability if the Mayor sent the budget down a month and half before this meeting.

Councillor Freda said this is also what that Charter says but we have never gotten it on time.

Mr. Riley said that there's no way around the fact that July 1st is the next fiscal year and you need a budget in place or it's going to be a big problem. In these circumstances, you don't want to wait the 45 days.

Councillor Marchand requested Mr. Richard provide his opinion on this matter.

Mr. Richard said it would be a very bad position for the City to be in since many things happen July 1st such as contracts have to be signed, orders need to be placed, etc.

Councillor Chalifoux Zephir mentioned the 1/12 budget as a mechanism the Council could use.

Mr. Richard said there is no such thing; it's the Mayor's continuing budget.

Mr. Riley clarified that the Statute says if you don't have a budget the Mayor may, at his discretion, come to the City Council with a continuing appropriation budget on a month by month basis not to exceed three months.

Mr. Richard said the Mayor has submitted his budget and he's sure that is what he is standing by.

Councillor Chalifoux Zephir said it also has to be approved by City Council and in the event the City Council does not, there is a mechanism in place.

Mr. Richard said you would have to be very careful how you didn't approve the budget if the Mayor wasn't going to submit.

Councillor Chalifoux Zephir said she wants to make a proposal to solve the problem at hand by imposing a moratorium on chargebacks for one year. All of the chargebacks are already included in the City budget so there's no additional cost or tax revenue required and what it does is allow the School Department to add back in the \$5 million dollars they have to subtract.

Councillor Bodanza said that they don't have the authority to impose a moratorium and suggested she bring the proposal to the Mayor's office to consider it.

Mr. Richard said the ramification of her proposal is the City would have to come up with another \$5 million dollars. If we can't use the chargebacks to charge against the School and still have to meet Net School Spending, that means we need to give the School Department \$5 million dollars more.

Councillor Bodanza said at the end of the day we need \$5 million dollars, but what's before them tonight is the budget. Moving forward he agrees there is a lot of work to do. They have a lot more before them than the budget tonight. There's a lot more in the future and he's hopeful that this crisis creates some dialogue and cooperation between people and they can turn this around and get on better footing.

Speaking in opposition to C-103 were Gary Zimmerman of 47 Lynnhaven Road, Tim Stanton of 38 Linda Street, Chris Lord of 122 Granite Street, David Fiandaca of 467 Litchfield Street, Carrie Noseworthy of 95 Smith Street, Mike Stassen of 893 Main Street, and James Cormier of 612 Elm Street. No one in the audience spoke in favor of the communication.

Councillor Bodanza read the following letter from the Mayor into the record:

Leominster City Council
25 West Street
Leominster, MA 01453

Re: FY18 Budget

Members of the City Council,

Thank you for the time you have put into the FY18 budget process. Regardless of the vote tonight, this process is far from over. Tonight's vote is just step one. The state hasn't passed its budget yet. We don't have final enrollment numbers. We don't have a line item budget from the school department etc. I will continue to work on the budget for the next days, weeks, months regardless of the result of the vote tonight.

The issue of the school department budget has been going on for a number of years now and has come to a head. We have heard from many constituents on all sides of the issue. Everyone's had a chance to weigh in. There's good-spirited debate and then there's good public policy. It's important to look at the big picture here. We've worked very hard and have come a long way to bring our city to a place of financial stability. We have the third highest bond rating in the county. The city overall is in good fiscal shape. We have an obligation as elected officials to maintain that stability in every area for the benefit of every citizen.

Our responsibility is to come up with solutions. Here are a few my administration has to offer:

1. School department:
 - A. We will be conducting meetings throughout the summer, meeting with the superintendent and individual building principals. The objective will be to develop a more specific and detailed understanding of each school, each program, class size and overall long term prioritized goals. We will examine every line item so that we can guarantee that if any cuts are made, they aren't in the areas that are most important to education and the class room. We will invite members of the school committee to attend these meetings as well as the city council finance subcommittee.
 - B. School department to provide city council with monthly balance sheets
 - C. Space needs assessment to ensure we're using our buildings to their maximum potential
 - D. Year end audits to give us a better understanding of this past year's expenditures and identify those areas of concern
 - E. Appoint oversight committee
2. School committee:
 - A. Training in what goes into creating a sustainable budget
 - B. Forecasting for the future
 - C. Budget prioritizing
 - D. Assist in long term financial forecasting so we can mirror the city budget which is sustainable and not subject to the effects of a changing economy.
 - E. We need to lobby the state to change the Foundation Budget Formula. Our legislators should be making this a top priority, particularly for Gateway, urban communities like Leominster. State aid is still down 17.5% from what it was 10 years ago yet the distance between our required local contribution and state Chapter 70 aid continues to grow.

During the FY18 budget cycle, we are reminded that when tough decisions need to be made, it's critical that we not repeat the errors of the past to solve our current challenges. This is one of the reasons why, at the budget presentation June 20, I felt it was important to provide a historical perspective of the finances in the city – starting in 1993 with the city being in pretty rough financial shape. We had negative free cash, no stabilization account, and lack of funding of our pension system etc that left us in a financial situation where we were unable to pay our bills, unable to borrow for projects and basically kicking the can down the road for future generations to pay our debts. We had to make wise, but sometimes tough decisions to get to the healthy and stable financial place we're in today. Let's go forward and not backward.

I want to reiterate that we have an obligation to maintain fiscal responsibility and stability in every department for the safety and well-being of every citizen in our great city.

We are elected to listen to the people, gather pertinent information and in the end, make decisions for what's best for the overall community.

Thank you for your time and patience.

/S/ Mayor Dean J. Mazzarella

Additional information:

Cutting the city side of the budget will have drastic effects. Most departments are operating with fewer people than they were just a couple of years ago. Reducing the city side of the budget will:

- Result in a decrease in city services across the board for residents and businesses.
- As Glenn Fratto explained Wednesday evening he believes most of the charge backs for the school department by the city are excessive. The ability of city department to work on behalf of the school department will be greatly diminished if cuts are made. This would mean those services would once again be totally on the school department to put out to bid at most likely a much higher rate.
- City employees, particularly the Department of Public Works, do a huge amount of work on behalf of the city to save money instead of projects going out to bid. With less staff and less funds, I have no doubt that this will mean higher costs to the city for completing projects.
- As you heard during your budget hearings from both the school department and Chief Goldman, the amount of police officers we currently have on staff is insufficient to continue to address new crises like the opioid addiction. It was also insufficient to continue to fully staff the school resource officers. We have finally been able to add two new officers in the budget this year. It is likely these two officers will be among the first to be cut with cuts to the city side of the budget.

Would I like to hire more police, firefighters and DPW workers? Absolutely. As we have seen in the school department, who has hired 86 new employees since 2008, the cost of health insurance, pension, and salary increases has in part created a huge deficit. For the city, we have chosen to pay overtime costs which has proven less expensive so that we can stretch our limited dollars further. To the school department's 86 newly created positions, all other departments of the city combined, have only 3.5.

We need to find a permanent solution to the challenges our school department is facing. The 2014 audit of the school department found total errors in reporting in the amount of \$6.4 million. In 2014 and 2015, we saw the misreporting of numbers to DESE by the school department. In 2014, it was reported that the city was \$615,604 short of net school spending when we were \$300,000 over. In 2015, numbers indicated that we were \$400,000 short when we were \$576,000 over net school spending. There is dire need for an oversight committee of the school department. I've suggested this in the past. It's time.

I serve as the Chair of the School Committee. I am one vote. We need to all work together to demand accountability and transparency. The first step in that process is creating a system within the school department to ensure that the correct numbers are reported in our system and reported to the Department of Elementary and Secondary Education. With this process in place it should be simple to create the line item budget that should have been created by March of 2017.

In closing, for an urban Gateway City, the City of Leominster has strongly supported education across the board. To paying an average of 92% of school transportation costs, spending \$95,000,000 on new and renovated school buildings, and meeting and exceeding net school spending despite drastic cuts to state aid, the taxpayers of Leominster have supported educational initiatives more than any other category in the budget. As one city councilor said during a previous

budget debate, "I feel very strongly about quality education. The fact that the City is in such a strong financial position and can borrow money and has money when it needs it in the event of some kind of emergency will benefit every person across the city, including the schools including all the people that work there and all the kids, and the roads they travel and school busses they take to get there. I'm going to be happy to support this budget because it's a very reasonable budget considering the community that is Leominster".

Thank you for your continued time and effort toward the budget and all of Leominster's initiatives.

See below for solutions suggested by the public and additional miscellaneous information:

Some of the suggestions made by constituents, teachers, students and even a council member:

1) Utilize free cash to give additional funds to the school department. As you know, the state generally certifies Leominster's free cash between \$7,000,000.00-\$9,000,000. As stipulated in the DOR Guide to Municipal Finance, we use this free cash for one time expenditures not for operating costs. This is not only sound financial practice, it saves us from having to make interest payments on capital purchases.

2) Take \$5 million out of the stabilization to pay for the shortfall at the school department. According to Governing Magazine, among many other sources, the number one deadly sin of finance is transferring money from one fund to bail out another in an effort to meet operating costs. Our stabilization account is part of our strong Aa2 bond rating. As some have suggested in public testimony, our healthy bond rating is not for bragging rights. It is a signal to credit rating agencies such as Moody's that Leominster is making the right financial decisions. It allows us to borrow both short term and long term at incredible rates – saving the taxpayers millions of dollars. Just as one example, during Leominster High School's \$43,000,000 renovation project, the City was able to not only make a \$5,000,000 one time cash payment prior to permanent borrowing but secured an interest rate at an unheard of 1.04% because of our financial strength.

3) The Mayor should send down the budget passed by the Leominster School Committee. The budget passed by the School Committee was \$2,899,000 over net school spending. Let me be clear, although I fully understand and share the committee's desire to support our educational system, sending down a budget that is \$2,899,000, without a revenue source to match the expenses, is illegal under state law. For a number of years, the city finance team and I have sent a budget to the council with a 2.5% increase. In FY2017, this increase yielded \$1.7 million from the taxpayers. \$1.624 million of this increase went to the Leominster School Department. On top of the 65% of the operating budget (including free cash and state funds) the city has averaged \$3.5 million to school transportation (not net school spending eligible) and \$95,000,000 in school projects during my administration for which the city paid \$35,000,000 with no cost to the schools (again, not net school spending eligible). And our yearly average is \$770,000 over net school spending, higher than many of the gateway cities. Yet in an analysis of the school budget over the past ten years, the system has decreased by 329 students while increasing \$24,000,000 in spending.

4) Acceptance of the Special Act of the Legislature regarding the City Council's ability to increase the school budget. As I understand, this act allows the City Council to increase education spending in the budget as long as the budget does not go over the 2.5% tax levy. The budget we have submitted to the City Council already leverages the 2.5% allowed. In FY17, 96% of the 2.5% tax levy went to education. Therefore, the adoption of this amendment and subsequent action by the council to implement it, would mean cuts on the city side. As I have said time and again, and the council has agreed during the past few budget deliberations, the budget is very lean. In fact, the only cuts that have been proposed over the past few years has been the proposal by one city councilor to cut the audit of city accounts, fire and police overtime, and the legal counsel account – all of which failed to get a majority vote.

HEARING ADJOURNED AT 9:44 P.M.

Lynn A. Bouchard, City Clerk and
Clerk of the City Council

REGULAR MEETING OF THE CITY COUNCIL, JUNE 26, 2017

Meeting was called to order at 7:33 P.M.

Attendance was taken by a roll call vote; all members were present.

The Committee on Records reported that the records from June 12, 2017 were examined and found to be in order. The records were accepted.

A recess was called at 7:35 P.M. to conduct a hearing and hold a public forum.

Meeting reconvened at 10:42 P.M.

The following COMMUNICATION was received with an EMERGENCY PREAMBLE and referred to the FINANCE COMMITTEE. Vt 8/1. Councillor David Cormier opposed. Upon recommendation of the FINANCE COMMITTEE, the following COMMUNICATION was GRANTED and ORDERED. Vt 9 "yeas"

C-106 Relative to the appropriation of \$75,000.00 to the Health Refuse Collection Disposal Expense Account; same to be transferred from the Excess and Deficiency Account.

ORDERED: - that the sum of Seventy-five Thousand Dollars (\$75,000.00) be appropriated to the Health Refuse Collection Disposal Expense Account; same to be transferred from the Excess and Deficiency Account.

RE: Funding for disposal tons and totes needed.

The following COMMUNICATIONS were received with an EMERGENCY PREAMBLE and referred to the FINANCE COMMITTEE. Vt 7/2. Councillors Chalifoux Zephir and David Cormier opposed. Upon recommendation of the FINANCE COMMITTEE, the following COMMUNICATIONS were GRANTED and ORDERED. Vt 9 "yeas"

C-107 Relative to the appropriation of \$29,265.00 to the Insurance Expense Account; same to be transferred from the Excess and Deficiency Account.

ORDERED: - that the sum of Twenty-nine Thousand Two Hundred and Sixty-five Dollars (\$29,265.00) be appropriated to the Insurance Expense Account; same to be transferred from the Excess and Deficiency Account.

RE: Worker Compensation settlement bills.

REGULAR MEETING OF THE CITY COUNCIL, JUNE 26, 2017, Cont.

C-108 Relative to the appropriation of \$10,000.00 to the Municipal Building Expense Account; same to be transferred from the Excess and Deficiency Account.

ORDERED: - that the sum of Ten Thousand Dollars (\$10,000.00) be appropriated to the Municipal Building Expense Account; same to be transferred from the Excess and Deficiency Account.

RE: Property Maintenance Expenses.

A recess was taken at 10:50 P.M. to allow David LaPlante, Treasurer, to discuss the communication. Meeting was reconvened at 10:52 P.M.

C-109 Relative to the appropriation of \$35,000.00 to the Police Department Overtime Account; same to be transferred from the Police Department Salary and Wages Account.

ORDERED: - that the sum of Thirty-five Thousand Dollars (\$35,000.00) be appropriated to the Police Department Overtime Account; same to be transferred from the Police Department Salary and Wages Account.

The following COMMUNICATION was received, referred to the FINANCE COMMITTEE and given REGULAR COURSE.

C-110 Relative to the appropriation of \$1,085,399.00 to the Street Resurfacing Expense Account; same to be transferred from the Highway State and Receipts Reserved for Appropriation Account.

The following PETITION was received, referred to the LEGAL AFFAIRS COMMITTEE and given REGULAR COURSE.

80-17 John M. Dombrowski: Accept the provisions of M.G.L. Chapter 44, Section 32 pursuant to Special Act 329 of the Acts of 1987 entitled “An Act Increasing Local Control Over the Annual School Budget”.

The following PETITION was received, referred to the LEGAL AFFAIRS COMMITTEE, given REGULAR COURSE and referred to the Police Department/Traffic Division and the Department of Public Works.

81-17 Interim Chief Michael Goldman: Amend Section 13-34 of the Revised Ordinances entitled “ No Parking on Certain Streets” by adding the north side of Wachusett Street beginning at the intersection of Pleasant Street, 450 feet west on Wachusett Street.

The following PETITION was received, referred to the LEGAL AFFAIRS COMMITTEE, given REGULAR COURSE and referred to the Fire Chief and the Health Director. A hearing was set for July 24, 2017 at 7:00 P.M. Vt 9/0

82-17 Carolyn A. Parker for NJLJ Properties, LLC: Grant a license to store a total of 35,000 gallons of which 26,000 gallons is gasoline and 9,000 gallons is diesel fuel at 180 Central Street.

The following APPOINTMENTS were received, referred to the WAYS AND MEANS AND VETERANS AFFAIRS COMMITTEE and given REGULAR COURSE.

2017-2018 Election Workers - terms to expire August 31, 2018

Upon request of the WAYS AND MEANS AND VETERANS AFFAIRS COMMITTEE, the following PETITIONS were GRANTED. Vt 9/0

C-85 Dean J. Mazzaella, Mayor: Exempt Paula Valiton, a paraprofessional for the Leominster School Department, from the Conflict of Interest Law as provided for in M.G.L. Chapter 268 A, Section 20B as she will be taking a position as an enrichment program instructor for the Recreation Department.

C-86 Dean J. Mazzaella, Mayor: Exempt Lisa Marie Rivera, a tutor for the Leominster School Department, from the Conflict of Interest Law as provided for in M.G.L. Chapter 268 A, Section 20B as she will be taking a position as an enrichment program instructor for the Recreation Department.

C-87 Dean J. Mazzaella, Mayor: Exempt Erica Macedo, a special education teacher for the Leominster School Department, from the Conflict of Interest Law as provided for in M.G.L. Chapter 268 A, Section 20B as she will be taking a position as an enrichment program instructor for the Recreation Department.

Upon request of the LEGAL AFFAIRS COMMITTEE, the following PETITION was given FURTHER TIME. Vt 9/0

69-17 Michael J. King: Grant an Easement for an existing driveway for the property located at 767 Willard Street.

Upon request of the PUBLIC SERVICE COMMITTEE, the following PETITION was GRANTED. Vt 8/0. Councillor David Cormier abstained due to a possible conflict of interest.

- 79-17 Comcast of Massachusetts III, Inc.: Place two (2) 40’ Utility Poles on the Northerly side of Lanides Lane and a 3” Diameter Sch. 80 PVC Conduit to be above grade, to the backside of the guardrail for telecommunications conduit service to the Fitchburg Easterly Wastewater Treatment Plant.

Councillor Bodanza, Chair of the FINANCE COMMITTEE, read the Financial Report for the City into the record. Account balances are as follows:

Stabilization Account	\$14,517,854.57
Free Cash	\$1,130,815.00

Upon recommendation of the FINANCE COMMITTEE, the following COMMUNICATION was GRANTED and ORDERED. Vt 9 “yeas”

- C-88 Relative to the appropriation of \$14,500.00 to the Cemetery Expense Account; same to be transferred from the Cemetery Perpetual Care Income Account.

ORDERED: - that the sum of Fourteen Thousand Five Hundred Dollars (\$14,500.00) be appropriated to the Cemetery Expense Account; same to be transferred from the Cemetery Perpetual Care Income Account.

RE: To replace mower.

Upon recommendation of the FINANCE COMMITTEE, the following COMMUNICATION was GRANTED and ORDERED. Vt 8 “yeas” 1 “nay”. Councillor David Cormier opposed.

- C-89 Relative to the appropriation of \$85,301.00 to the Cemetery Salary and Wages Account; same to be transferred from the Cemetery Perpetual Care Income Account.

ORDERED: - that the sum of Eighty-five Thousand Three Hundred and One Dollar (\$85,301.00) be appropriated to the Cemetery Salary and Wages Account; same to be transferred from the Cemetery Perpetual Care Income Account.

RE: Laborers	\$38,252.00
Summer Help	\$29,092.00
Clerical Assistance	\$16,457.00
Clothing Allowance	\$ 1,500.00

Upon recommendation of the FINANCE COMMITTEE, the following COMMUNICATION was GRANTED and ORDERED. Vt 9 “yeas”

- C-90 Relative to the appropriation of \$37,000.00 to the Library Expense Account; same to be transferred from the Library Salary and Wages Account.

ORDERED: - that the sum of Thirty-seven Thousand Dollars (\$37,000.00) be appropriated to the Library Expense Account; same to be transferred from the Library Salary and Wages Account.

Upon recommendation of the FINANCE COMMITTEE, the following COMMUNICATION was GRANTED and ORDERED. Vt 9 “yeas”

- C-91 Relative to the appropriation of \$17,500.00 to the Medicare Expense Account; same to be transferred from the Collective Bargaining Expense Account, prior year.

ORDERED: - that the sum of Seventeen Thousand Five Hundred Dollars (\$17,500.00) be appropriated to the Medicare Expense Account; same to be transferred from the Collective Bargaining Expense Account, prior year.

Upon recommendation of the FINANCE COMMITTEE, the following COMMUNICATIONS were GRANTED and ORDERED. Vt 9 “yeas”

- C-92 Relative to the appropriation of \$282,783.00 to the FY2018 Workers Compensation Loss Fund Insurance Expense Account; same to be transferred from the following Prior Year Loss Funds:

FY2017 Workers Compensation Loss Fund	\$ 55,623.77
FY2016 Workers Compensation Loss Fund	\$ 160,000.00
FY2015 Workers Compensation Loss Fund	\$ 40,000.00
FY2013 Workers Compensation Loss Fund	\$ 15,022.54
FY2012 Workers Compensation Loss Fund	\$ 10,000.00
FY2010 Workers Compensation Loss Fund	\$ 2,136.46
FY2009 Workers Compensation Loss Fund	\$ 0.23

ORDERED: - that the sum of Two Hundred and Eighty-two Thousand Seven Hundred and Eighty-three Dollars (\$282,783.00) be appropriated to the FY2018 Workers Compensation Loss Fund Insurance Expense Account; same to be transferred from the following Prior Year Loss Funds:

FY2017 Workers Compensation Loss Fund	\$	55,623.77
FY2016 Workers Compensation Loss Fund	\$	160,000.00
FY2015 Workers Compensation Loss Fund	\$	40,000.00
FY2013 Workers Compensation Loss Fund	\$	15,022.54
FY2012 Workers Compensation Loss Fund	\$	10,000.00
FY2010 Workers Compensation Loss Fund	\$	2,136.46
FY2009 Workers Compensation Loss Fund	\$	0.23

C-93 Relative to the appropriation of \$20,000.00 to the Assessor’s Department Expense Account; same to be transferred from the Excess and Deficiency Account.

ORDERED: - that the sum of Twenty Thousand Dollars (\$20,000.00) be appropriated to the Assessor’s Department Expense Account; same to be transferred from the Excess and Deficiency Account.

RE: Assessor’s Computer Aided Mass Appraisal (CAMA) System upgrade.

C-94 Relative to the appropriation of \$80,000.00 to the Municipal Building Capital Outlay Expense Account; same to be transferred from the Excess and Deficiency Account.

ORDERED: - that the sum of Eighty Thousand Dollars (\$80,000.00) be appropriated to the Municipal Building Capital Outlay Expense Account; same to be transferred from the Excess and Deficiency Account.

RE: Demolition of 222 Mechanic Street.

C-95 Relative to the appropriation of \$20,000.00 to the Highway General Expense Account; same to be transferred from the Excess and Deficiency Account.

ORDERED: - that the sum of Twenty Thousand Dollars (\$20,000.00) be appropriated to the Highway General Expense Account; same to be transferred from the Excess and Deficiency Account.

RE: Tank monitor for fueling station.

C-96 Relative to the appropriation of \$200,000.00 to the Sidewalk Expense Account; same to be transferred from the Excess and Deficiency Account.

ORDERED: - that the sum of Two Hundred Thousand Dollars (\$200,000.00) be appropriated to the Sidewalk Expense Account; same to be transferred from the Excess and Deficiency Account.

C-97 Relative to the appropriation of \$276,100.00 to the Sanitation and Drainage Expense Account; same to be transferred from the Excess and Deficiency Account.

ORDERED: - that the sum of Two Hundred and Seventy-six Thousand One Hundred Dollars (\$276,100.00) be appropriated to the Sanitation and Drainage Expense Account; same to be transferred from the Excess and Deficiency Account.

RE: To repair drainage on Mill Street.

C-98 Relative to the appropriation of \$140,000.00 to the Fire Department Capital Outlay Expense Account; same to be transferred from the Excess and Deficiency Account.

ORDERED: - that the sum of One Hundred and Forty Thousand Dollars (\$140,000.00) be appropriated to the Fire Department Capital Outlay Expense Account; same to be transferred from the Excess and Deficiency Account.

RE: Wire Inspector and Master Mechanic vehicles.

A recess was taken at 12:00 A.M. on June 27, 2017 to allow Mr. Robert Sidleau, Fire Chief to discuss the petition. Meeting was reconvened at 12:01 A.M.

REGULAR MEETING OF THE CITY COUNCIL, JUNE 26, 2017, Cont.

C-99 Relative to the appropriation of \$243,000.00 to the School Department Expense Account; same to be transferred from the Excess and Deficiency Account.

ORDERED: - that the sum of Two Hundred and Forty-three Thousand Dollars (\$243,000.00) be appropriated to the School Department Expense Account; same to be transferred from the Excess and Deficiency Account.

RE: Equipment repairs and purchases

C-100 Relative to the appropriation of \$250,000.00 to the School Department Expense Account; same to be transferred from the Excess and Deficiency Account.

ORDERED: - that the sum of Two Hundred and Fifty Thousand Dollars (\$250,000.00) be appropriated to the School Department Expense Account; same to be transferred from the Excess and Deficiency Account.

C-101 Relative to the appropriation of \$5,150.00 to the Planning Department Expense Account; same to be transferred from the Excess and Deficiency Account.

ORDERED: - that the sum of Five Thousand One Hundred and Fifty Dollars (\$5,150.00) be appropriated to the Planning Department Expense Account; same to be transferred from the Excess and Deficiency Account.

RE: Copy machine replacement.

C-102 Relative to the appropriation of \$80,000.00 to the Veteran Services Capital Outlay Expense Account; same to be transferred from the Excess and Deficiency Account.

ORDERED: - that the sum of Eighty Thousand Dollars (\$80,000.00) be appropriated to the Veteran Services Capital Outlay Expense Account; same to be transferred from the Excess and Deficiency Account.

RE: Handicapped ramp replacement.

Upon recommendation of the FINANCE COMMITTEE, the following COMMUNICATION was GRANTED and ORDERED. Vt 5 “yeas” 4 “nays”. Councillors Freda, Dombrowski, Chalifoux Zephir and Feckley opposed.

C-103 Relative to the appropriation of \$120,869,649.95 to the Fiscal Year 2018 General Fund Budget Accounts as listed; same to be raised/offset by Fiscal Year 2018 Revenue.

ORDERED: - that the sum of One Hundred and Twenty Million Eight Hundred and Sixty-nine Thousand Six Hundred and Forty-nine Dollars and Ninety-five Cents (\$120,869,649.95) be appropriated to the Fiscal Year 2018 General Fund Budget Accounts as listed; same to be raised/offset by Fiscal Year 2018 Revenue.

RE: FY 2018 General Fund Budget.

Upon recommendation of the FINANCE COMMITTEE, the following COMMUNICATIONS were GRANTED and ORDERED. Vt 8 “yeas”. Councillor Chalifoux Zephir abstained due to a possible conflict of interest.

C-104 Relative to the appropriation of \$5,717,030.97 to the Fiscal Year 2018 Water Department Budget Accounts as listed; same to be raised/offset by Fiscal Year 2018 Water Rates to be collected as authorized by Massachusetts General Law Chapter 44 Section 53E.

ORDERED: - that the sum of Five Million Seven Hundred and Seventeen Thousand Thirty Dollars and Ninety-seven cents (\$5,717,030.97) be appropriated to the Fiscal Year 2018 Water Department Budget Accounts as listed; same to be raised/offset by Fiscal Year 2018 Water Rates to be collected as authorized by Massachusetts General Law Chapter 44 Section 53E.

C-105 Relative to the appropriation of \$5,578,201.43 to the Fiscal Year 2018 Sewer Department Budget Accounts as listed; same to be raised/offset by Fiscal Year 2018 Sewer Rates to be collected as authorized by Massachusetts General Law Chapter 44 Section 53E.

ORDERED: - that the sum of Five Million Five Hundred and Seventy-eight Thousand Two Hundred and One Dollars and Forty-three cents (\$5,578,201.43) be appropriated to the Fiscal Year 2018 Sewer Department Budget Accounts as listed; same to be raised/offset by Fiscal Year 2018 Sewer Rates to be collected as authorized by Massachusetts General Law Chapter 44 Section 53E.

SEE BUDGET ON PAGE 290A & 290B

The following ORDINANCE was read a second time, ADOPTED as presented and passed to be ordained. Vt 9 “yeas”

The City of Leominster
In the year two thousand and seventeen

AN ORDINANCE

Amending Chapter 2 of the Revised Ordinances, entitled “Administration”

Be it ordained by the City Council of the City of Leominster, as follows:

Chapter 2 of the Revised Ordinances, entitled “Fee Schedule” is hereby amended by deleting the fee amounts for Gasoline, Vehicle Tank Pump and Adjusting and inserting new fee amounts:

Gasoline	\$20.00
Vehicle Pump Tank	\$60.00
Adjusting	\$25.00

The following ORDINANCE was read a second time, ADOPTED as presented and passed to be ordained. Vt 9 “yeas”

The City of Leominster
In the year two thousand and seventeen

AN ORDINANCE

Amending Chapter 13 of the Revised Ordinances, entitled “Motor Vehicles and Traffic”

Be it ordained by the City Council of the City of Leominster, as follows:

Section 13-25 of the Revised Ordinances entitled “Parking for Sale Prohibited” is hereby amended by insertring the following new subsection:

Sec. 13-25.1 Parking for Sale on City Property

It shall be unlawful for any person to park upon any city property, to include parking lots, any vehicle displayed for sale, nor shall any person stand or stop any vehicle or any device moved by human power for the purpose of selling or offering for sale any food, beverage or goods, wares or merchandise therein of therefrom; provided, this section shall not prevent such sales at city events in which the chief of police has authorized the closing of the road or parking lot for such event and all other applicable ordinances for such an event have been followed.

The following ORDINANCE was read once, ADOPTED as presented and ordered to be published. Vt 9 “yeas”. A hearing was set for July 10, 2017 at 7:10 P.M.

1st Reading Ordinance – Amend Chapter 13 of the Revised Ordinances entitled “Motor Vehicles and Traffic” by amending Section 13-77 entitled “Stop Signs” by inserting the Montrose Street, against southbound drivers at Grant Street.

The following RESOLUTION was referred to the WAYS AND MEANS AND VETERANS AFFAIRS COMMITTEE and given REGULAR COURSE. Councillor Feckley requested to be added to the resolution.

RESOLUTION – Regarding Department of Revenue Financial Management Review

MEETING ADJOURNED ON JUNE 27, 2017 AT 12:17 A.M.

Lynn A. Bouchard, City Clerk and
Clerk of the City Council

BUDGET AREA		MAYOR'S BUDGET FY 2016	MAYOR'S BUDGET FY 2017	Department Request FY 2018	MAYOR'S BUDGET FY 2018	REF. LINE NO.
<u>GENERAL GOVERNMENT</u>						
2						
3	LEGISLATIVE:					
4	City Council Salary & Wages	107,734.00	109,829.00	110,039.00	110,039.00	5
5	City Council Expenses	14,785.00	14,785.00	15,635.00	15,635.00	19
6						
7	EXECUTIVE:					
8	Mayor's Salary & Wages	244,001.00	255,829.03	268,966.55	268,966.55	27
9	Mayor's Expenses	7,350.00	11,300.00	11,300.00	11,300.00	42
10	Other Executive:					
11	- Telephone System	900.00	900.00	900.00	900.00	49
12	- Massachusetts Municipal Association Dues	6,500.00	6,765.00	6,934.00	6,934.00	55
13						
14	FINANCE ADMINISTRATION:					
15	Comptroller Salary/Wages Insurance OPEB Retirement	14,994,903.00	16,453,517.00	18,007,969.00	18,007,969.00	84
16	City Comptroller Expenses	11,750.00	11,750.00	11,750.00	11,750.00	102
17	Budget Director Salary & Wages	34,236.00	35,970.00	36,868.00	36,868.00	108
18	Budget Director Expenses	2,180.00	2,180.00	2,180.00	2,180.00	115
19	Purchasing Salary & Wages	129,347.00	139,051.00	145,968.00	145,968.00	122
20	Purchasing Expenses	7,250.00	7,250.00	7,250.00	7,250.00	137
21	Assessor's Salary & Wages	295,626.00	317,634.00	325,898.00	325,898.00	144
22	Assessors Expenses	46,932.00	48,132.00	52,195.00	52,195.00	161
23	Assessors Capital	41,500.00	66,000.00	158,500.00	58,500.00	168
24	Property Revaluation	0.00	0.00	0.00	0.00	
25	Treasurer Salary & Wages	142,883.00	146,804.50	151,310.50	151,310.50	176
26	Treasurer Expenses	51,135.00	52,135.00	52,135.00	52,135.00	193
27	Collector Salary & Wages	160,394.00	168,927.50	181,511.50	181,511.50	201
28	Collector Expenses	171,560.00	189,560.00	191,535.00	191,535.00	217
29	Other Finance Administration:					
30	- Other Finance Offices & Accounts	78,000.00	78,000.00	78,000.00	78,000.00	228
31	- Audit of Municipal Accounts	60,000.00	65,000.00	70,000.00	70,000.00	235
32						
33	OPERATIONS SUPPORT:					
34	City Solicitor Expenses	185,000.00	185,000.00	185,000.00	185,000.00	250
35	Personnel/Affirm Action Salaries	66,843.00	73,036.00	71,983.00	71,983.00	256
36	Personnel/Affirm Action Expenses		4,500.00	4,500.00	4,500.00	272
37	Collective Bargaining Expenses	822,950.00	447,416.00	459,435.25	459,435.25	287
38	Information Technology Task Force	149,000.00	180,600.00	208,000.00	208,000.00	282
39						
40	LICENSING AND REGISTRATION:					
41	City Clerk Salary & Wages	205,528.00	223,878.00	217,402.00	217,402.00	295
42	City Clerk Expenses	12,550.00	12,700.00	13,745.00	13,745.00	314
43	Elections & Registrations Salary & Wages	55,562.00	53,271.00	56,716.00	56,716.00	322
44	Elections & Registrations Expenses	105,450.00	118,650.00	77,025.00	77,025.00	342
45	License Commission Salary & Wages	14,140.00	14,140.00	14,140.00	14,140.00	349
46	License Commission Expenses	4,400.00	4,400.00	4,400.00	4,400.00	362
47						
48	LAND USE:					
49	Conservation Commission Salary & Wages	52,171.00	53,584.00	57,353.00	57,353.00	369
50	Conservation Commission Expenses	9,318.00	9,400.00	9,400.00	9,400.00	388
51	Planning Department Salary & Wages	125,069.00	120,983.00	126,765.76	126,765.76	399
52	Planning Department Expenses	6,650.00	9,400.00	12,300.00	12,300.00	410
53	Board of Appeals Salary & Wages	4,000.00	4,000.00	4,000.00	4,000.00	415
54	Board of Appeals Expenses	5,000.00	7,900.00	7,900.00	7,900.00	436
55	Other Land Use:					
56	- Regional Planning Assessment	12,830.00	13,149.81	13,500.00	13,500.00	430
57						
58	DEVELOPMENT:					
59	Economic Development Salary & Wages	57,315.00	53,700.60	57,241.20	57,241.60	437
60	Economic Development Expenses	43,950.00	48,000.00	48,300.00	48,300.00	449
61	Other Development:					
62						
63	OTHER GENERAL GOVERNMENT:					
64	Municipal Buildings Salary & Wages	0.00	0.00	0.00	0.00	455
65	Municipal Buildings Expenses	119,400.00	124,000.00	153,800.00	124,000.00	472
66	Municipal Buildings Maintenance Expenses	7,000.00	7,000.00	7,000.00	7,000.00	480
67	Municipal Buildings Maintenance Overtime	7,000.00	7,500.00	7,500.00	7,500.00	486
68						
69	<u>PUBLIC SAFETY</u>					
70						
71	POLICE:					
72	Police Salary & Wages	6,001,376.00	6,188,151.66	6,420,369.98	6,420,279.98	510
73	Police Expenses	507,250.00	523,250.00	556,250.00	550,000.00	568
74	Police Overtime	399,000.00	407,000.00	606,136.32	416,000.00	536
75	Police Station Expenses	113,000.00	113,000.00	113,000.00	113,000.00	580
76						
77	FIRE:					
78	Fire Salary & Wages	6,138,547.00	6,325,284.80	6,692,282.82	6,431,691.68	599
79	Fire Expenses	522,350.00	544,325.00	553,325.00	553,325.00	666
80	Fire Overtime	1,053,672.00	1,150,000.00	1,487,060.00	1,250,000.00	615
81	Fire Capital Outlay	15,000.00	15,000.00	15,000.00	15,000.00	663
82						

BUDGET AREA		MAYOR'S BUDGET FY 2016	MAYOR'S BUDGET FY 2017	Department Request FY 2018	MAYOR'S BUDGET FY 2018	REF. LINE NO.
<u>PUBLIC SAFETY, Cont.</u>						
83	PROTECTIVE INSPECTIONS:					
84	Building Inspector Salary & Wages	296,675.00	322,265.00	338,079.28	334,929.45	674
85	Building Inspector Expenses	20,950.00	21,400.00	23,900.00	23,900.00	692
86	Gas Inspector Salary & Wages	1,900.00	2,400.00	2,400.00	2,400.00	698
87	Gas Inspector Expenses	1,230.00	980.00	750.00	750.00	708
88	Plumbing Inspector Salary & Wages	76,388.00	80,990.00	83,787.00	83,787.00	714
89	Plumbing Inspector Expenses	7,065.00	9,460.00	6,600.00	6,600.00	728
90	Plumbing Inspector Overtime	0.00	0.00	0.00	0.00	734
91	Scaler, Weights & Measures Salary & Wages	35,000.00	37,375.00	67,248.00	42,000.00	739
	Scaler, Weights & Measures Expenses	3,000.00	3,150.00	3,785.00	3,785.00	753
	Wire Inspector Salary & Wages	172,012.00	177,902.00	183,223.00	183,223.00	761
94	Wire Inspector Expenses	44,550.00	44,550.00	49,850.00	49,850.00	781
95						
96	OTHER PUBLIC SAFETY:					
97	Emergency Management Salary & Wages	118,238.00	125,900.00	133,360.00	133,360.00	788
98	Emergency Management Expenses	65,650.00	71,360.00	77,260.00	73,060.00	822
99	Dog Officer Expenses	99,000.00	99,000.00	99,000.00	99,000.00	833
100	Forestry Salary & Wages	214,552.00	224,246.84	227,874.20	227,874.20	841
101	Forestry Expenses	26,000.00	33,920.00	49,550.00	36,700.00	863
102	Forestry Overtime	3,000.00	4,000.00	4,500.00	4,500.00	869
103						
104	<u>EDUCATION</u>					
105						
106	LOCAL SCHOOL SYSTEM:					
107	School Salary & Wages	45,532,880.00	47,195,000.00	47,082,000.00	47,082,000.00	1416
108	School Expenses	18,326,910.00	18,326,910.00	23,764,875.00	19,639,910.00	1418
109	School Choice Tuitions	0.00	0.00	0.00	0.00	1422
110	School Cross Guard/Attendance Officer S & W	40,000.00	40,000.00	40,000.00	40,000.00	1424
111	School Cross Guard/Attendance Officer Expenses	1,000.00	1,000.00	1,000.00	1,000.00	1426
112	School Transportation Expenses	3,155,755.00	3,234,649.00	4,836,470.00	3,335,000.00	1420
113						
114	<u>PUBLIC WORKS</u>					
115						
116	HIGHWAY AND STREETS:					
117	Public Works Salary & Wages	184,229.00	201,579.00	210,325.40	210,325.40	891
118	Public Works Expenses	250,800.00	276,090.00	419,300.00	300,000.00	929
119	Highway Fuel Depot:	50,000.00	50,000.00	50,000.00	50,000.00	935
120	Public Works Labor - Regular	804,124.00	881,126.52	934,327.92	934,327.92	948
121	Public Works Labor - Overtime	42,000.00	44,000.00	83,000.00	46,000.00	955
122	Snow & Ice - Overtime	150,000.00	150,000.00	225,000.00	150,000.00	1050
123	Snow & Ice Expenses	675,000.00	675,000.00	941,000.00	675,000.00	970
124	Street Lighting Expenses	431,000.00	431,000.00	460,000.00	440,000.00	1066
125	Other Highways & Streets:					
126	- Sidewalks Curbing Expenses & Road Patching	50,000.00	65,000.00	250,000.00	65,000.00	992
127	- Street Marking Expenses	25,000.00	30,000.00	50,000.00	35,000.00	998
128	- Street Signs & Fences Expenses	12,000.00	12,000.00	20,500.00	15,500.00	985
129	- Sanitation/Drainage Expenses	60,000.00	60,000.00	270,000.00	60,000.00	1006
130	- Landfill Expenses	85,900.00	84,900.00	90,400.00	90,400.00	1010
131	- Cemetery Salary & Wages	113,135.00	110,617.76	181,181.60	113,839.00	1042
132	- Cemetery Expenses	18,980.00	24,295.00	58,620.00	24,295.00	1066
133	- Cemetery Overtime	3,100.00	3,100.00	6,000.00	3,162.00	1072
134						
135	WASTE COLLECTION AND DISPOSAL:					
136	Sanitation - Street Cleaning	31,000.00	52,000.00	45,550.00	45,550.00	1018
137	Refuse and Garbage Collection Expenses	1,796,972.00	1,817,223.00	1,886,741.00	1,886,741.00	1033
138						
139	<u>HUMAN SERVICES</u>					
140						
141	HEALTH SERVICES:					
142	Health Department Salary & Wages	316,054.00	333,051.00	338,889.00	338,889.00	1082
143	Health Department Expenses	26,700.00	27,700.00	27,700.00	27,700.00	1099
144						
145	SPECIAL PROGRAMS:					
146	Council on Aging Salary & Wages	114,190.00	121,795.00	125,051.00	125,051.00	1107
147	Council on Aging Expenses	36,180.00	36,180.00	47,330.00	38,000.00	1129
148	Veterans Services Salary & Wages	119,558.00	139,022.00	144,291.96	144,291.96	1135
149	Veterans Services Expenses	456,300.00	458,550.00	459,200.00	459,200.00	1151
150						
151	OTHER SPECIAL PROGRAMS:					
152	Senior Work Program	20,000.00	20,000.00	20,000.00	20,000.00	1170
153	Montachusett Home Care	1,000.00	1,000.00	1,000.00	1,000.00	1176
154	Care of Veterans Graves Salary & Wages	2,000.00	2,000.00	2,000.00	2,000.00	1160
155	Care of Veterans Graves Expenses	500.00	200.00	200.00	200.00	1164
156	Disabilities Commission	3,000.00	3,000.00	3,000.00	3,000.00	
157	<u>CULTURE AND RECREATION</u>					
158						
159	LIBRARY:					
160	Library Salary & Wages	966,507.00	1,068,836.00	1,066,369.00	1,066,369.00	1189
161	Library Expenses	364,275.00	390,025.00	398,425.00	398,425.00	1221
162						
163	RECREATION:					
164	Recreation Salary & Wages	455,450.00	494,857.00	657,048.01	525,349.70	1239
165	Recreation Expenses	76,165.00	78,495.00	105,860.00	105,860.00	1267
166						